GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1772
ANSWERED ON:14.03.2002
LOSSES SUFFERED BY ONGC
BASUDEB ACHARIA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether ONGC has incurred a huge loss due to payment dispute with Enron;

(b) if so, the details thereof;

(c) whether the Government are considering to take any legal or disciplinary action against this company; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

a): No, Sir.

b) : An unincorporated Joint Venture Consortium of Oil and Natural Gas Corporation (ONGC), Reliance Industries Limited (RIL) an Enron Oil and Gas India Limited (EOGIL), comprise the Contractor under the Production Sharing Contracts (PSCs) for the tw Medium sized Discovered Fields of Panna Mukta and Mid & South Tapti.Certain disputes relating to cash calls and expenditure have arisen amongst the three parties. The matter is under Arbitration in terms of provisions of the Joint Operating Agreement signed between the parties.

c) & d): Does not arise in view of reply to (a) and (b) above.